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SUBJECT: CHILE LOOKS TOWARD SUMMIT WITH HIGH EXPECTATIONS  
AND INTEREST IN ECONOMY AND ENERGY (C-AL9-00153)

REF: SANTIAGO 228

Classified By: Political Officer Jennifer Spande for reason 1.4 (b) and (d).

11. (C) Summary: Chilean officials see President Obama's participation in the Summit of the Americas as a critical chance for the president to signal his re-engagement with Latin America, a region that feels jettisoned by conflicts and emerging powers in other regions. The financial crisis and energy will be key themes for Chile. These "immense expectations" will be very hard for the President to meet. Despite the intense negotiations taking place over the text of the summit declaration, delegations should note experiences from other regional leaders' meetings where certain Latin American presidents chose to ignore the carefully agreed upon text and attempted to negotiate the document themselves, despite being unfamiliar with prepared drafts. End Summary.

12. (SBU) Ambassador Hector Morales, the OAS Permanent Representative and Summit of the Americas Coordinator, visited Santiago March 3-4 to discuss preparations for the upcoming summit. Ambassador Morales, accompanied by Ambassador Simons and emboffs, met with MFA Undersecretary for Political Affairs equivalent Juan Pablo Lira, presidential advisor Marcos Robledo, other Chilean officials, and an NGO leader working on measuring the impact of past summits. (Note: Reftel reports on readouts of President Bachelet's recent trip to Cuba, which was also discussed in many of these meetings. End Note.)

Obama's Participation a "Super Important" Opportunity for Re-Engagement

13. (SBU) President Obama's attendance at the Summit of the Americas will be a strong sign of the importance that the administration places on relationships with Latin America, Ambassador Morales told his interlocutors. Obama will be attending the event within his critical first 90 days in office. The President looks forward to discussing with his peers many of the same issues that were important in his campaign: education, social justice, job creation, energy, and trade. Ambassador Morales noted that the focus of U.S. participation will be on re-engaging with the hemisphere, and to listen, share ideas, and signal a desire to work with the region's leaders on the challenges facing Latin America and the Caribbean.

14. (SBU) President Obama's participation in the Summit is an "opportunity for re-engagement" with Latin America--an urgent and "super important" task, presidential advisor Marcos Robledo said. Latin America is a complex and fragmented region, MFA Director General Juan Pablo Lira and Robledo both explained. Achieving consensus at this Summit will be far more difficult than it was 10 years ago, Robledo noted.

¶5. (SBU) Latin Americans have high expectations of President Obama. "Obama is a complete rock star in Chile," Robledo announced. "The whole world expects him to be their savior," Lira opined, repeating several times that there were "immense expectations." "Las personas comun y corriente," roughly "average Joes," appreciate Obama's closeness to ordinary people and will be most concerned with what the summit and the President can deliver in terms of concrete improvements in quality of life. These people may not understand or pay attention to the finer political and economic points of the summit, but will be looking to see how job creation and a robust social safety net affects them and their families.

#### Economy, Energy Key Summit Themes

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¶6. (C) The financial crisis will loom over the entire summit, Lira said, warning that some countries will be tempted to turn towards protectionism. Robledo urged that summit planners need to develop concrete initiatives to be implemented to demonstrate to the average worker that the summit is something significant and relevant.

¶7. (SBU) Energy is a key issue for Chile--and the world--Lira stated, noting that Chile is very energy dependent and is a net importer of coal and natural gas. National Energy Commission International Affairs Director Carlos Pina warned that energy was a "turbulent" theme that would not be easy to manage. The issue can quickly become politicized and stuck, particularly if participants focus on ambitious and unrealistic oil and gas objectives. Instead, summit participants should be forward-looking and focus on

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technology transfer, research and development, and renewable energy. More contentious issues should be shelved for a few years until the economic crisis is over.

¶8. (SBU) Note: Several Chilean officials told us during Ambassador Morales' meetings that Chile will host a technical experts meeting in between the G20 meeting in London on April 2 and the Summit of the Americas April 17-19. This meeting, which will focus on possible responses to the global financial crisis, is in lieu of earlier plans for Chile to host a finance ministerial at approximately the same time. End Note.

#### Words Matter: Concerns about the Text

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¶9. (C) Chilean officials believe that the summit declaration will be key to changing the tone of relationships within the region and between the U.S. and Latin American countries. However, both Lira and Robledo confided that based on recent experience--including last year's Rio Group summit--presidents in the region could back away from the agreed summit language at the last minute. Lira remarked that some presidents "in the neighborhood" have told him that their bureaucrats have not performed well in text negotiations and that they (the presidents) are reluctant to agree to a document they have not read. Robledo attributed this problem to the overly "presidentialized" nature of Latin American politics. Robledo promised President Bachelet's support in contacting reluctant presidents directly, if needed, to ensure that a solid declaration could be presented at the summit. MFA Multilateral Affairs Director Juan Eduardo Eguiguren suggested adding a shorter summary document as an official communique to ensure that there was a more succinct document that presidents would actually read.

¶10. (C) Ambassador Morales responded to these concerns by mentioning the preceding week's productive meetings about the text and highlighting U.S. support for a summary document. The U.S. is eager to close the document before the summit, perhaps by March 31, but will need to work with other summit

participants to be creative about inserting G20 language that is finalized after that date.

¶11. (C) While the U.S. supports an executive summary, summit participants will need to consider carefully who should be involved in these negotiations and how to avoid negotiating the declaration and summary simultaneously. Negotiating the remaining declaration text as a series of packets of paragraphs may help overcome deadlocks and make the remaining process go more quickly, Ambassador Morales suggested. He left drafts with Chilean SIRG participant Patricio Powell, and the two discussed the specifics of the proposed language the next day.

Another Summit Leadership Group Trying to Emerge?  
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¶12. (C) Robledo told us that Colombia is interested in forming an informal working group to guide summit preparations. This group would include Peru and Panama, among other countries, and so would be distinct from the current Amigos group, consisting of past summit hosts plus Brazil.

Chilean NGO Heading Network to Monitor Summit Impacts  
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¶13. (SBU) Chile is also worried about how summit commitments will be implemented, Eguiguren noted, highlighting the work of a Chilean NGO, Participa, that is tracking the extent to which governments participating in the summit have implemented commitments from previous summits. Ambassador Morales met later in the day with Participa Subdirector Catalina Delpiano, who described the organization's work in coordinating a network of NGOs monitoring results from past summits in 21 of the 34 summit member countries. Their analysis shows that key elements of past summit declarations have not translated into significant democratic advances in the hemisphere overall. Some countries, such as Uruguay, Guatemala, Barbados, and Chile, have improved their performance on summit declaration-linked indicators, such as access to public information, decentralization, freedom of expression, and civil society participation. However, these gains are tempered by substantial declines in other countries, such as Venezuela, Nicaragua, Peru, and El Salvador.

Comment  
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¶14. (C) Chilean officials at the Presidential Palace, Foreign Affairs Ministry, Finance Ministry, and Energy Commission all showed their eagerness to work with the U.S. in shaping a successful summit. Robledo's valuable offer to have President Bachelet directly contact other regional presidents is a noteworthy example of Chile's willingness to quietly encourage its neighbors to contribute to successful multilateral initiatives. Chileans hope that President Obama's participation in the Summit of the Americas will mark a watershed moment where the new administration launches a new round of active engagement with Latin America. End Comment.

¶15. (U) Ambassador Morales cleared this cable.  
SIMONS